H-3961.1			

HOUSE BILL 2365

State of Washington 54th Legislature 1996 Regular Session

By Representatives Casada and Pelesky

Read first time 01/10/96. Referred to Committee on Transportation.

- 1 AN ACT Relating to road and bridge service districts; amending RCW
- 2 36.83.010 and 36.83.020; and adding new sections to chapter 36.83 RCW.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 4 **Sec. 1.** RCW 36.83.010 and 1985 c 400 s 2 are each amended to read 5 as follows:
- 6 The legislative authority of a county may establish one or more
- 7 service districts within the county for the purpose of providing and
- 8 funding capital and maintenance costs for any bridge or road
- 9 improvement or for providing and funding capital costs for any state
- 10 highway improvement a county or a road district has the authority to
- 11 provide. A service district may not include any area within the
- 12 corporate limits of a city or town unless the city or town governing
- 13 body adopts a resolution approving inclusion of the area within its
- 14 limits. A service district is a quasi municipal corporation, an
- 15 independent taxing "authority" within the meaning of Article VII,
- 16 section 1 of the state Constitution, and a "taxing district" within the
- 17 meaning of Article VII, section 2 of the state Constitution.
- 18 A service district shall constitute a body corporate and shall
- 19 possess all the usual powers of a corporation for public purposes as

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well as all other powers that may now or hereafter be specifically conferred by statute, including, but not limited to, the authority to 2 hire employees, staff, and services, to enter into contracts, to 3 4 acquire, hold, and dispose of real and personal property, and to sue and be sued. All projects constructed by a service district pursuant 5 to the provisions of this chapter shall be competitively bid and 6 7 contracted.

A board of three commissioners appointed by the county legislative authority or county executive pursuant to this chapter shall be the governing body of a service district. The county treasurer shall act as the ex officio treasurer of the service district. The electors of a service district are all registered voters residing within the district.

14 Sec. 2. RCW 36.83.020 and 1983 c 130 s 2 are each amended to read 15 as follows:

- (1) A county legislative authority proposing to establish a service district((, or to modify the boundaries of an existing service 17 18 district, or to dissolve an existing service district,)) shall conduct a hearing at the time and place specified in a notice published at least once, not less than ten days prior to the hearing, in a newspaper of general circulation within the proposed service district. 21 notice shall be in addition to any other notice required by law to be 23 The notice shall((, where applicable,)) specify the 24 functions or activities proposed to be provided or funded((, or the 25 additional functions or activities proposed to be provided or funded,)) by the service district. Additional notice of the hearing may be given by mail, posting within the proposed service district, or in any manner the county legislative authority deems necessary to notify affected All hearings shall be public and the county legislative authority shall hear objections from any person affected by the formation, modification of the boundaries, or dissolution of the 31 service district.
- 33 (2) Following the hearing held pursuant to subsection (1) of this 34 section, the county legislative authority may establish a service district((, modify the boundaries or functions of an existing service 35 36 district, or dissolve an existing service district,)) if the county 37 legislative authority finds the action to be in the public interest and adopts an ordinance or resolution providing for the ((action)) 38

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establishment of the service district. The ((ordinance)) legislation establishing a service district shall specify the functions or activities to be exercised or funded and establish the boundaries of the service district. Functions or activities proposed to be provided or funded by the service district may not be expanded beyond those specified in the notice of hearing, ((unless additional notices are made, further hearings on the expansion are held, and further determinations are made that it is in the public interest to so expand the functions or activities proposed to be provided or funded)) except as provided in subsection (4) of this section.

(3) At any time prior to the county legislative authority establishing a service district pursuant to this section, all further proceedings shall be terminated upon the filing of a verified declaration of termination signed by ((the owners of real property consisting of at least sixty percent of the assessed valuation in)) a majority of the registered voters of the proposed service district.

(4) With the approval of the county legislative authority, the governing body of a service district may modify the boundaries of, expand or otherwise modify the functions of, or dissolve the service district after providing notice and conducting a public hearing or hearings in the manner provided in subsection (1) of this section. The governing body must make a determination that the proposed action is in the public interest and adopt a resolution providing for the action.

NEW SECTION. Sec. 3. A new section is added to chapter 36.83 RCW to read as follows:

If the county legislative authority establishes a road and bridge service district, it shall promptly appoint three persons who are residents of the territory included in that service district to serve as the commissioners of the service district. For counties having an elected executive, the executive shall appoint those commissioners subject to confirmation by the legislative authority of the county. The commissioners first appointed shall be designated to serve for terms of one, two, and three years, respectively, from the date of their appointment. Thereafter, service district commissioners shall be appointed for a term of office of five years. Vacancies must be filled for any unexpired term in the same manner as the original appointment. No member of the legislative authority of the county in which a service district is created may be a commissioner of that service district,

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except that, if the boundaries of the service district are included 2 within or coterminous with the boundaries of a county commissioner or council district, the county commissioner or councilmember elected from 3 4 that commissioner or council district may be appointed to serve as a commissioner of the service district. A commissioner shall hold office 5 until his or her successor has been appointed and qualified, unless 6 7 sooner removed from office for cause in accordance with this chapter. 8 A certificate of the appointment or reappointment of any commissioner 9 must be filed with the county auditor, and such certificate is 10 conclusive evidence of the due and proper appointment of the commissioner. The commissioners of the service district shall receive 11 no compensation for their services, in any capacity, but are entitled 12 13 to reimbursement for reasonable and necessary expenses, including travel expenses, incurred in the discharge of their duties. 14

15 The powers of each service district are vested in the commissioners 16 of the service district. Two commissioners constitute a quorum of the 17 service district for the purpose of conducting its business and exercising its powers and for all other purposes. The commissioners of 18 19 the service district shall organize itself and select its chair, vice-20 chair, and secretary, who shall serve one-year terms but may be selected for additional terms. When the office of any officer becomes 21 vacant, the commissioners of the service district shall select a new 22 23 officer from among the commissioners for the balance of the term of 24 office.

NEW SECTION. **Sec. 4.** A new section is added to chapter 36.83 RCW to read as follows:

For neglect of duty or misconduct in office, a commissioner of a service district may be removed by the county legislative authority after conducting a hearing. The commissioner must be given a copy of the charges at least ten days prior to the hearing and must have an opportunity to be heard in person or by counsel. If a commissioner is removed, a record of the proceedings, together with the charges and findings, must be filed in the office of the county auditor.

NEW SECTION. Sec. 5. A new section is added to chapter 36.83 RCW to read as follows:

Any road or bridge improvements financed in whole by funds of a service district, including but not limited to proceeds of bonds issued

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- 1 by a service district, shall be owned by that service district.
- 2 Improvements financed jointly by a service district and the county or
- 3 city within which the improvements are located may be owned jointly by
- 4 the service district and that county or city pursuant to an interlocal
- 5 agreement.
- 6 <u>NEW SECTION.</u> **Sec. 6.** A new section is added to chapter 36.83 RCW 7 to read as follows:
- 8 If a service district is formed, there shall be created in the
- 9 office of the county treasurer, as ex officio treasurer of the service
- 10 district, a local service district fund with such accounts as the
- 11 treasurer may find convenient or as the state auditor or the governing
- 12 body of the service district may direct, into which shall be deposited
- 13 all revenues received by or on behalf of the service district from tax
- 14 levies, gifts, donations and any other source. The fund shall be
- 15 designated "(name of county) (road/bridge) service district No. . . .
- 16 fund."

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